

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“Agreement”) is made and entered into this 4th day of February, 2021, by and between Phoenix Radio Broadcasting, LLC, an Arizona limited liability company (“Seller”) and Prescott Broadcasting LLC, an Arizona limited liability company (“Buyer”).

WITNESSETH:

WHEREAS, Seller is the licensee of radio station KYCA(AM), Prescott, Arizona (Facility ID No. 61433) (“KYCA”) and its related FM Translator station K278CN, Winslow, Arizona (Facility ID No. 150097) (together, the “Station”); and

WHEREAS, Seller is also the licensee of radio station KAHM(FM), Spring Valley, Arizona (Facility ID No. 61510) (“KAHM”) and its related FM Translator station K269EE, Prescott, Arizona (Facility ID No. 61511); and

WHEREAS, Buyer is currently programming KYCA and KAHM pursuant to a Local Marketing Agreement entered into between Buyer and Seller dated January 12, 2018 (“LMA”); and

WHEREAS, Seller now desires to sell and assign, and Buyer desires to purchase and acquire the Station’s licenses (*i.e.*, KYCA and K278CN) and certain of Seller’s property and assets used or held for use in the operation of the Station; and

WHEREAS, the licenses issued by the Federal Communications Commission (“Commission” or “FCC”) for the operation of the Station may not be assigned to Buyer without the prior written consent of the Commission.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein, the parties do hereby agree as follows:

1. SALE OF ASSETS AND ASSIGNMENT OF LICENSES

At the Closing, and subject to the provisions of Paragraph 2 hereof, Seller shall sell, assign and transfer to Buyer and Buyer shall purchase from Seller the following assets, free and clear of liens, encumbrances, and other security interests except as specifically provided herein (the “Assets”):

A. Licenses and Authorizations: All rights to the licenses, permits, permissions and other authorizations (including without limitations those listed in Exhibit A hereto, together with the use of the KYCA call letters) which are issued by the Commission and other governmental agencies and that are associated with the operation of the Station, and all applications for modification, extension or renewal thereof pending on the Closing Date (the “Licenses”).

B. Real Property: The real property interests owned by Seller and used in the business and operation of the Station listed in Exhibit B and any interest of Seller therein, including without limitation, land, easements, air rights, rights of way and fee ownership, buildings, structures, fixtures, fittings and improvements, including any towers, guy wires and anchors, if any (the “Real Property”).

C. Personal Property: The fixed and tangible personal property owned by Seller and used or held for use in the operation of the Station, including any towers, transmitters, antennas, equipment, spare parts, fixtures and supplies located at the Real Property, as listed in Exhibit C hereto, less any property consumed, depleted or otherwise disposed of in the ordinary course of business, and all similar tangible property acquired by Seller in the ordinary course of business, prior to the Closing Date (“Personal Property”).

D. Agreements and Contracts: The rights of Seller under the agreements pertaining to the Station listed in Exhibit D hereto (the “Contracts”).

E. Intangible Property: Any intellectual property including the KYCA call letters (the “Intangible Property”).

F. Records: All public files required to be maintained by the FCC, together with such of Seller’s files, logs and other records relating to the operation of the Station as Buyer may reasonably require (the “Records”).

2. ASSETS EXCLUDED

It is understood and agreed that the Assets purchased pursuant to this Agreement shall not include (a) cash on hand, cash equivalents, securities, and similar type investments; (b) any insurance policies and all proceeds of, or claims made by Seller, prior to the Closing Date, and any promissory notes or Seller’s accounts receivable, advertising agreements, or similar items; (c) books and records that pertain primarily to the organization, existence, capitalization and taxation of Seller; (d) assets of Seller used primarily in businesses other than the Station; and (e) those assets listed as excluded on Schedule C hereof.

3. PURCHASE PRICE AND TERMS

The purchase price for the Assets is One Million Thirty Thousand Dollars (\$1,030,000.00), subject to the adjustments set forth below and in Paragraph 4 (the “Purchase Price”).

The Purchase Price shall be allocated based upon the fair market value of the Assets. Seller and Buyer shall be free to obtain an appraisal of the Assets using valuation methods of their choosing. Seller and Buyer agree to provide each other with a copy of any appraisals obtained as soon as reasonably possible. Seller and Buyer agree to use all reasonable efforts to agree to an Allocation prior to the Closing Date. The Allocation shall be in accordance with the Internal Revenue Code. Seller and Buyer agree to use such Allocation in completing and filing Internal Revenue Code Form 8594 (or such Form or Forms as may be substituted for Form 8594

by the Internal Revenue Service) for Federal income tax purposes and to cooperate in preparation of their respective Form 8594 filings.

The Purchase Price shall be payable as follows:

A. Deposit. On the date of this Agreement, Buyer shall make a cash deposit in immediately available funds in the amount of One Hundred Thirty Thousand Dollars (\$130,000.00) (the “Deposit”) into a separate segregated bank account and shall provide Seller with documentation of such deposit. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price and any interest accrued thereon shall be disbursed to Buyer. The Deposit and any interest accrued thereon shall be disbursed to Buyer if this Agreement (i) is terminated by Buyer pursuant to Paragraph 8.A because of an uncured default by Seller, or (ii) is terminated pursuant to Paragraph 8.B and such denial or designation for hearing is not on the account of Buyer. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Seller.

B. Amount Financed by Seller. The remaining balance of the Purchase Price shall be represented by a promissory note, in the form attached as Exhibit E, which Buyer shall execute and deliver to Seller at Closing (the “Promissory Note”). The Promissory Note shall be in the face amount of Nine Hundred Thousand Dollars (\$900,000.00) and shall be for a term of five (5) years, at a fixed annual interest rate of eight percent (8.0%) per annum. The Promissory Note shall be based on a ten (10) year amortization schedule with a balloon payment at the end of the fifth (5th) year. To secure the Promissory Note, at Closing, Buyer will grant to Seller a first security interest in the proceeds from the sale of the collateral as set forth in a Security Agreement in the form of Exhibit F.

4. PRORATIONS AND ADJUSTMENTS

All personal property and employment taxes, deposits (including lease deposits), utility charges, contracts to be assigned to and assumed by Buyer, and income and operating expenses of the Station shall be prorated between Buyer and Seller as of the Closing Date. Insofar as feasible, prorations under this paragraph shall be determined and paid on the Closing Date, with a final accounting of prorated items, and the sum due from one party to another pursuant to this proration paid, within sixty (60) days after the Closing Date. If the parties are unable to agree on the prorations, the matter shall be referred to a firm of independent certified public accountants mutually acceptable to Buyer and Seller. If the amount of any tax to be prorated is not known as of the Closing Date, such tax shall be apportioned on the basis of the most recent tax assessment and such apportionment shall be final.

5. EXPENSES

Except as otherwise provided herein, each party shall bear its own legal, engineering and accounting fees and other costs and expenses with respect to the transaction. Recording and filing fees, and sales, document, transfer, documentary stamp and other taxes, and all other similar charges on conveyances from Seller to Buyer or with respect to any other aspect of the transactions contemplated herein will be paid by Buyer. The FCC fee for filing the Application

described in Paragraph 7 hereof shall be paid one-half by Seller and one-half by Buyer.

6. ASSUMPTION OF CERTAIN LIABILITIES

At the Closing, Buyer shall assume all of the obligations and liabilities for the License, the Real Property and the Contracts which by the terms thereof require the payment of money or the performance of other obligations after 12:01 a.m., Prescott, Arizona time, on the Closing Date. Buyer specifically does not assume responsibility for (a) any of Seller's liens, taxes, debts, accounts payable or contracts other than the Contracts, (b) any Contracts of which the contracting party does not agree to be assigned to and assumed by Buyer, and (c) any employment contracts to which Seller or the Station may be a party, severance pay, retirement plans, or similar obligations. With respect to Contracts that require the consent of third parties for assignment but for which the consent of such third parties has not been obtained as of the Closing Date, Buyer shall assume Seller's obligations to be performed under those Contracts only for the period after Closing during which Buyer receives the benefits to which Seller is currently entitled under such Contracts.

7. FILING OF FCC APPLICATION

A. Within five (5) business days of the date of this Agreement, Seller and Buyer shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent, including the consent of the Audio Division of the Media Bureau of the FCC acting pursuant to delegated authority, to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the "FCC Consent." Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible.

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

8. TERMINATION

This Agreement may be terminated in writing as follows:

A. Either party may terminate this Agreement if the other shall be in material breach hereof and if the said breach shall not have been cured within ten (10) days of written notice thereof by the party seeking to terminate, provided, however, that no such cure period shall apply to a failure of Buyer to timely pay the Purchase Price on the Closing Date.

B. If the Commission denies the FCC Application by Final Order or designates the FCC Application for hearing, either party shall have the option of terminating this Agreement by written notice to the other party prior to the commencement of the hearing.

9. **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller makes only the following representations and warranties, all of which have been relied upon by Buyer in entering into this Agreement and, except as specifically otherwise provided, all of which shall be true and correct on the Closing Date:

A. Authority: Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Arizona and has full power and authority to enter into and perform this Agreement. The execution and delivery of this Agreement has been duly authorized by Seller's Member and constitutes a valid and binding agreement of Seller, enforceable in accordance with its terms.

B. No Contravention; Citizenship: The execution, delivery and performance of this Agreement by Seller will not violate, conflict with, result in the breach of, constitute a default under, or violate any provision of any agreement, judgment, decree, order, law, rule or regulation to which Seller is a party or by which any of the Assets is bound or affected. Seller is not a "foreign person" as defined in Section 1445(f)(3) of the Internal Revenue Code. Seller shall deliver to Buyer an affidavit to that effect, which shall also set forth Seller's name, address, taxpayer identification number, and such additional information as may be required to exempt this transaction from the withholding provisions of Section 1445 of the Internal Revenue Code. Buyer shall have the right to file copies of Seller's affidavit with the IRS.

C. Licenses: Exhibit A hereto contains a complete list of all the licenses, permits, and other authorizations issued by the Commission and other governmental authorities, together with any applications therefor pending before such agencies, needed for the operation of the Station in the manner in which it is currently operated. The Licenses are in full force and effect and are free and clear of any restrictions that are reasonably likely to limit the full operation of the Station as presently authorized. To the best of Seller's knowledge, there are no investigations, proceedings, or material complaints pending or threatened at the Commission or any other governmental authority which are reasonably likely to adversely affect the business or operations of the Station, which would have a material adverse effect on the operations of the Station, other than proceedings of a legislative or rule making nature intended to affect substantial segments of the radio industry generally. Seller has not received any complaints that the Station is causing objectionable interference to any other station and has not waived any interference rights. All material reports and filings required to be filed with the FCC by Seller with respect to the Station have been filed, and all such reports and filings are accurate and complete in all material respects.

D. Real Property:

(i) Exhibit B lists by legal description all of the Real Property owned by Seller at Closing to be conveyed pursuant to this Agreement. With respect to the Real Property: (a) to the best of Seller's knowledge, Seller has good and marketable fee simple title to each parcel, free and clear of all Liens; (b) there are no pending, or to Sellers' knowledge, threatened actions relating to the Real Property; (c) Seller has not leased or otherwise granted to any Person the right to use or occupy any of the Real Property or any portion of the income or profits from the sale, operation or development thereof except as disclosed in Exhibit B; (d) Seller has not

entered into any contracts, agreements, options or rights to purchase such parcel, or any portion thereof, or any interest therein and, to the best of Seller's knowledge, no third party had entered into any contracts, agreements, options or rights to purchase such parcel, or any portion thereof, or any interest therein; and (e) to the best of Seller's knowledge, there are no Persons or entities (other than Seller) lawfully in possession of such parcel, or any portion thereof.

(ii) All improvements owned by Seller on the Real Property have received all material permits required in connection with the current ownership or operation by Seller thereof and are being operated and maintained by Seller in all material respects in accordance with applicable law.

(iii) There is access for ingress and egress to the Real Property. All facilities located on such Real Property have access to such utilities as are necessary for the operation of such facilities as currently operated, all of which services are adequate in all material respects in accordance with applicable laws.

(iv) Seller has have not received any written notice alleging that the Real Property fails to comply with applicable laws, including zoning laws, or the building, health and safety, fire and environmental protection codes of any governmental entity and to Seller's knowledge, the Real Property complies with all applicable laws.

(v) During the period Seller owned the Real Property, Seller has occupied, used and operated the Real Property in material compliance with all applicable environmental laws and, to Seller's knowledge, no conditions, circumstances or activities have existed or currently exist on or in regard to, and Seller has not engaged in any activities with respect to, the Real Property that violate any environmental law. There are no (a) current, pending or, to Seller's knowledge, threatened in writing proceedings or investigations of any kind against Seller concerning the Real Property under any environmental law or (b) claims, actions, suits or administrative, arbitral or other proceedings pending or, to Seller's knowledge, threatened in writing against or affecting Seller at law or in equity with respect to the Real Property under any environmental laws.

E. Seller has good and marketable title to each item of Personal Property, and Intangible Property, all free and clear of all mortgages, liens, charges or encumbrances. Seller makes no other representation concerning the Personal Property, or Intangible Property, the condition and sufficiency of which Buyer acknowledges, and which is being sold strictly "as is-where is."

F. Personal Property and Intangible Property: Seller has good and marketable title to each item of Personal Property, and Intangible Property, all free and clear of all mortgages, liens, charges or encumbrances. Seller makes no other representation concerning the Personal Property, or Intangible Property, the condition and sufficiency of which Buyer acknowledges, and which is being sold strictly "as is-where is."

G. Contracts: Exhibit D includes all contracts, agreements and commitments, if any, which are necessary to or used in the operation of Station. All contracts are valid, binding, and enforceable by Seller in accordance with their terms. Neither Seller nor, to Seller's knowledge, any other party to such Contracts is in material breach or default on any of the Contracts, there is

no claim or breach or default by Seller nor, to Seller's knowledge, by any other party thereto, and Seller has no knowledge of any act or omission which has occurred or which has been threatened which is reasonably likely to result in any party to such contract being in material breach or default thereof. Seller will use its reasonable best efforts to procure the written consent of all contracting parties to the assignment of the Contracts if such consent is required by the terms of such Contracts and shall continue to use its best efforts to obtain consents following the Closing, subject to the final sentence of Paragraph 6 for the period between Closing and the date such consents are obtained and the Contracts assigned to and assumed by Buyer.

H. Compliance with Laws; Litigation: Seller has received no notice that the Station is not in material compliance with all applicable federal, state and local laws, which if not complied with by Seller is reasonably likely to expose Buyer to claims or liability following the Closing.

10. COVENANTS OF SELLER

A. Negative: Between the date hereof and the Closing Date or earlier termination of this Agreement, Seller will not do any of the following without the written consent of Buyer:

(i) Enter into any contract or commitment in relation to the Station's business or employees to which the Buyer will be bound or which will materially adversely affect Buyer's operation of the Station following Closing hereunder;

(ii) Create or assume any mortgage upon or pledge or subject to lien or encumbrance any of the Assets, whether now or hereafter acquired;

(iii) Sell, assign, lease, convey, or otherwise transfer or dispose of any of the Assets, whether now owned or hereafter acquired other than in the ordinary course of business, unless, in the case of the Personal Property, the same are replaced in the normal course of business by assets of at least equal quality and usefulness; or

(iv) Modify any of the Licenses.

B. Affirmative: Pending the Closing Date, Seller will:

(i) Give to Buyer, its counsel, engineers, accountants and other authorized representatives, reasonable access during normal business hours to all of Seller's Assets, books and records pertaining to the operations of the Station for the purposes of inspection, and to such other properties, premises, books and records of Seller as are necessary to complete such inspections and audits;

(ii) Operate the Station in material accordance with the rules, regulations and policies of the Commission and other governmental authorities, provided, however, that Seller may in its sole discretion take the Station silent;

(iii) Perform all of the Contracts according to their term;

(iv) Maintain the Real Property in its current condition, ordinary wear and tear

excepted;

(v) Maintain the Personal Property or replacements thereof in their present condition, ordinary wear and tear excepted;

(vi) Maintain its books, records and accounts in the usual, regular and ordinary manner, on a basis consistent with past periods and discharge and pay in full all of its accounts payable through the Closing Date; and

(vii) Remove any and all violations of FCC rules and regulations that come to its attention.

11. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER

Buyer makes the following representations, warranties and covenants, all of which have been relied upon by Seller in entering this Agreement and except as specifically otherwise provided, all of which shall be true and correct as of Closing.

A. Authority: Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Arizona and has full power and authority to enter into and perform this Agreement. The execution and delivery of this Agreement has been duly authorized by Buyer's Members and constitutes a valid and binding agreement of Buyer, enforceable in accordance with its terms.

B. No Contravention: The execution, delivery and performance of this Agreement by Buyer will not violate any provision of, nor will result in a breach of, or constitute a default under, the provisions of incorporation or any agreement or other instrument to which Buyer or any of its Members is a party or by which Buyer or its property is bound or affected.

C. Qualification: Buyer knows of no reason under current law why it would not be found fully qualified by the FCC to become the licensee of the Station without a waiver of FCC statute, rule or policy. Buyer has on hand or from committed sources sufficient funds to timely consummate all the transactions contemplated by this Agreement. Buyer knowingly shall take no action or engage in any conduct which would materially impair its FCC qualifications or its ability to consummate this transaction.

12. JOINT COVENANTS REGARDING REAL PROPERTY

A. Condition of Title: With respect to the Real Property, within ten (10) days after the date of this Agreement (unless required to be delivered earlier pursuant to another provision of this Agreement), Seller shall, to the extent Seller has in its possession and has not already delivered to Buyer, deliver to Buyer copies of (i) any existing surveys and plats, (ii) Seller's deeds, (iii) the most recent title insurance commitments or policies, (iv) the Real Property tax bill for the current fiscal year (or such estimated Real Property tax bill as is provided under local custom or practice) and (v) any material permits relating to the ownership, maintenance, use, occupancy and operation of any Real Property. Seller shall cooperate with Buyer to enable Buyer to obtain, at Buyer's expense, within thirty (30) days after the date of this Agreement (such thirtieth (30th) day, the "Title Date"): (i) preliminary reports on title covering a date

subsequent to the date of this Agreement, issued by the title company selected by Buyer (the “Title Company”), which preliminary reports shall contain a commitment (each, a “Title Commitment”) of the Title Company to issue one or more (as appropriate) owner’s title insurance policies (and any corresponding mortgagee policies) with respect to the Real Property insuring the interest of Buyer in such parcels of Real Property at Closing; and (ii) copies of all documents, filings and information disclosed in the Title Commitment. The Title Commitment shall reflect that each parcel comprising the Real Property is not subject to any liens. If a Title Commitment fails to meet the requirements set forth in the immediately preceding sentence or is not otherwise satisfactory to Buyer, then Buyer may notify Seller in writing within ten (10) days after the Title Date (the “Title Objection Period”) (which notice shall include copies of the Title Commitment and the relevant title documents) in reasonable detail the title failure(s) to which Buyer objects (the “Title Objection Letter”). If Buyer does not notify Seller of Buyer’s objections in a Title Objection Letter provided before the end of the Title Objection Period, then Buyer will be conclusively deemed to have waived all title objections and to have approved the condition of title of the Real Property. If Buyer submits such notice within the Title Objection Period, Seller may, at Seller’s option, within thirty (30) days after receipt of Buyer’s Title Objection Letter cure or agree in writing to cure at or before the Closing the title deficiency (or deficiencies) at Seller’s cost. All standard exceptions that can be deleted by the use of reasonable and standard affidavits (without indemnification of any kind from Seller and provided that Seller shall not be required to incur any cost, expense or other liability in connection therewith) are to be deleted from the Title Commitment and Title Policies. Seller may elect to cure, or cause to be cured, or otherwise cooperate with Buyer in executing and delivering such instruments to the Title Company. Seller is not obligated to cure or cause to be cured, any obligation raised in Buyer’s Title Objection Letter. If Seller does not cure or agree in writing to cure at or before the Closing the title deficiency (or deficiencies) at Seller’s cost during such thirty- (30-) day period, then Buyer as its sole remedies may terminate this Agreement.

B. Condition of Real Property: Buyer’s due diligence and inspection period shall be thirty (30) days after the signing of this Agreement. During the due diligence period, Buyer shall have the right, at Buyer’s expense, to conduct inspections of the Real Property, including but not limited to, square footage, wood infestation, roof, designated flood hazard area, structural, plumbing, sewer/septic, heating, air conditioning, electrical and mechanical systems, soil, foundation, possible environmental hazards, water damage, mold, location of property lines, sign usage, zoning regulations, variances, use permits, and any other inspections to enable Buyer to satisfy itself with respect to the physical condition of the Property and the feasibility and suitability of the Real Property for Buyer’s intended purposes.

If prior to the expiration of the due diligence period, Buyer reasonably disapproves of the Real Property, Buyer shall (a) immediately terminate this Agreement by written notice to Seller, or (b) deliver to Seller written notice of the items disapproved and provide Seller an opportunity to correct the items. If Buyer elects option (b), Seller shall respond in writing within thirty (30) days after delivery to Seller of Buyer’s notice of items disapproved. If Seller does not respond, or is unwilling or unable to agree to correct any of the items disapproved by Buyer, then Buyer may either (a) terminate this Agreement by written notice to Seller within ten (10) days after receipt of Seller’s response (or within ten (10) days after the time for Seller to respond has expired, if no response is made) or (b) proceed with the transaction, in which case Seller shall not be obligated to correct those items disapproved by Buyer.

Buyer's failure to give written notice of termination of this Agreement or disapproval of items within the specified time periods shall conclusively be deemed Buyer's election to accept the condition of the Real Property and to proceed with the transaction without liability to Seller.

13. CONTROL OF STATION

Nothing contained in this Agreement shall be construed as giving Buyer any right to directly or indirectly supervise or direct the operation of the Station prior to the Closing. Such operation, including complete control and supervision of all programming, shall be the ultimate responsibility of Seller. Effective on the Closing Date and thereafter, Seller shall have no control over, nor right to intervene or participate in, the operation of the Station.

14. RISK OF LOSS

The risk of loss or damage to any of the Assets shall be upon Seller prior to the Closing, and thereafter upon Buyer. In the event such loss or damage or any other reason prevents the broadcast transmission by the Station in the normal and usual manner, Seller shall give prompt written notice thereof to Buyer. If the parties are unable to agree upon the extent of any loss or damage, the cost to repair, replace or restore any lost or damaged property, the adequacy of any repair, replacement or restoration of any lost or damage arising under this section, the disagreement shall be referred to a qualified consulting communications engineer mutually acceptable to Buyer and Seller who is a member of the Association of Federal Communication Consulting Engineers, whose decision shall be final, and whose fees and expenses shall be paid one-half by each of Buyer and Seller. Pending the Closing, Seller shall insure all of the Station's insurable assets under its own insurance policies. In the event of loss or damage prior to the Closing, the proceeds of, or any claim for any loss payable under, any insurance policy with respect thereto shall be used by Seller to repair, replace, or restore such lost or damaged assets to their former condition as soon as reasonably practicable.

15. CONFIDENTIALITY OF MATERIAL

Pending the Closing Date, each of Buyer and Seller and their respective employees, representatives and agents will maintain the confidentiality of the information and materials delivered to them or made available for their inspection by the other party pursuant to this Agreement, except where such information or materials is legally available from non-confidential sources or where such information, schedules, and other documentation are required to be filed with the Commission in connection with the Application. If for any reason the transaction is not consummated and does not close, each of Buyer and Seller will cause their respective employees, representatives and agents to return to the other party all such materials in their possession and will continue to preserve the confidentiality of all such information.

16. CLOSING DATE AND METHOD

Unless extended by mutual written consent of Buyer and Seller, the date of Closing (the "Closing Date") shall be determined as follows:

- A. The Closing shall be held no more than ten (10) business days after initial grant of

the FCC Application; provided, however, that if a timely petition to deny shall have been filed against the FCC Application then either party may defer closing until the FCC grant is no longer subject to appeal, review or reconsideration (a "Final Order").

B. The Closing Date and time shall be fixed by Buyer by giving at least five (5) days' written notice thereof to Seller. The Closing shall be accomplished on the Closing Date by exchanging the closing documents required by this Agreement, and such other closing documents as the parties may reasonably require, in person, by mail or air courier, or electronically, and Buyer delivering the cash portion of the Purchase Price, as adjusted, to Seller in such immediately available funds as Seller shall reasonably request, together with the Promissory Note and Security Agreement.

17. CONDITIONS OF CLOSING-SELLER'S OBLIGATIONS

The obligations of Buyer under this Agreement are, at Buyer's option to waive, subject to compliance by Seller with each of the following terms and conditions at or prior to the Closing Date:

A. **Status of Station Licenses:** The Licenses shall be in full force and effect.

B. **Commission Consents, Authorization and Application:** The Commission shall have granted the FCC Application.

C. **Consents:** Seller shall have obtained required written consents to all Contracts designated as material in Exhibit D and delivered such consents to Buyer along with true copies of all said Agreements.

D. **Absence of Litigation:** As of the Closing Date, no action, suit or proceeding seeking to enjoin, restrain or prohibit the consummation of the transactions contemplated by this Agreement or otherwise having a material adverse effect upon the operations of the Station or any material Assets shall be pending before any court, the Commission or any other governmental body or authority.

E. **Instruments of Conveyance:** Seller shall have delivered to Buyer the following instruments, all of which shall be in forms customary in the State of Arizona and reasonably satisfactory to counsel for Buyer:

(i) Bills of sale, deeds and other instruments of assignment and transfer, covering the Real Property, Personal Property, Intangible Property and Records; and

(ii) Assignments and other appropriate instruments assigning the Licenses and other authorizations of the Station and the Contracts to be assumed by Buyer; and

(iii) Such other documents as Buyer shall reasonably request and which are necessary to place Buyer in actual possession and operating control of Station and the Assets being transferred hereunder.

F. **Accuracy of Representations; Compliance with Covenants:** The

representations, warranties and covenants of Seller contained in Paragraphs 9, 10 and 12 hereof shall be true and correct in all material respects as of the Closing Date with the same force and effect as if made on that date, and Seller shall have complied with all the covenants contained in Paragraphs 11 and 12. Seller shall provide Buyer with its certificate so stating under oath.

G. Other Acts: Seller shall, within reason, have done any other acts which are necessary to effectuate the transactions contemplated herein.

18. CONDITIONS OF CLOSING-BUYER'S OBLIGATIONS

The obligations of Seller under this Agreement are, at Seller's option, subject to compliance by Buyer with each of the following terms and conditions at or prior to the Closing Date:

A. Commission Consents: The Commission shall have granted the Application.

B. Payment of Purchase Price/Promissory Note/Security Agreement: Buyer shall have paid to Seller the Purchase Price pursuant to the terms of Paragraph 3, including the delivery of the executed Promissory Note and Security Agreement.

C. Assumption of Contracts: Buyer shall have delivered to Seller the Contracts, if any, and a document, in form and substance reasonably satisfactory to Seller, whereby Buyer assumes those liabilities and obligations of Seller under the agreements to be assumed pursuant to Paragraph 6 hereof.

D. Accuracy of Representations: The representations, warranties and covenants of Buyer contained in Paragraphs 11 and 12 hereof shall be true and correct in all material respects as of the Closing Date with the same force and effect as if made on that date, and Buyer shall deliver to Seller the certificate of its president so stating under oath.

E. Other Acts: Buyer shall, within reason, have done any other acts which are necessary to effectuate the transactions contemplated herein.

F. Liens: Other than Liens to be discharged by Seller on or before the Closing Date there shall not be any Liens on the Assets or any financing statements of record related to the Assets.

19. CERTAIN REMEDIES UPON TERMINATION OR DEFAULT

A. Mutual Consent. If this Agreement is terminated due to no fault of either Buyer or Seller, then neither party shall have any liability to the other.

B. Specific Performance. If Buyer has the right to terminate this Agreement due to a material default of Seller then, in addition to any other remedies to which it may be entitled, Buyer may seek a decree of specific performance, it being agreed by both Buyer and Seller that the Assets to be conveyed hereunder are unique and irreplaceable, and that monetary damages alone may not suffice to compensate Buyer for the loss of an opportunity to acquire the Station on the terms set forth herein.

C. **Liquidated Damages.** If the Deposit and any interest accrued thereon are disbursed to Seller pursuant to Paragraph 3.A in connection with the termination of this Agreement, such payment shall constitute liquidated damages and be the sole remedy of Seller under this Agreement. Buyer 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 Buyer's material breach of, default under or failure to consummate 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.

20. INDEMNIFICATION

Seller shall indemnify, and hold Buyer harmless against all claims, demands and legal actions and will reimburse Buyer for any damages (including legal fees incurred with respect to same) resulting from, or arising out of (a) the operation of the Station prior to Closing, (b) the material breach by Seller of any of its representations, warranties or covenants set forth herein, (c) all liabilities of Seller other than to the extent Buyer expressly agrees to assume such liabilities pursuant to the terms hereof, or (d) all liens, charges or encumbrances on any of the Assets that are not expressly permitted by this Agreement. Buyer shall indemnify, defend and hold harmless against all claims, demands and legal actions, and will reimburse Seller for any damages (including legal fees incurred with respect to same) resulting from, or arising out of (a) the operation of the Station after Closing, (b) the material breach by Buyer of any of its representations, warranties or covenants set forth herein, or (c) all obligations which Buyer expressly assumes herein. Should any claims covered by the foregoing provisions be asserted against either party, the party being charged shall notify the other promptly and give it an opportunity to defend the same; the parties shall extend reasonable cooperation to each other in connection with such defense. Under no circumstances shall any claim for indemnification be allowed hereunder unless the aggregate value thereof shall exceed Ten Thousand Dollars (\$10,000.00).

21. PRESERVATION OF BOOKS AND RECORDS

For three (3) years after the Closing, (a) Buyer will preserve the books and records of Seller delivered pursuant to Paragraph 1.F hereof, and will allow Seller reasonable access to them and (b) Seller will preserve all other books and records relating to Seller in connection with the Station and will allow Buyer reasonable access to them.

22. SURVIVAL

The representations, warranties, covenants, and agreements contained herein and in any certificate or other instrument delivered pursuant hereto shall be deemed and construed to be continuous and shall survive the Closing hereunder for a period of twelve (12) months, except for those relevant to the Promissory Note and Security Agreement, which shall remain in effect until such time as the Promissory Note has been fully paid.

23. BROKER'S FEES

Buyer and Seller mutually represent that there are no finders, consultants or brokers involved in this transaction, and that neither Seller nor Buyer has agreed to pay any brokers', finders' or consultants' fees in connection with this transaction. In the event any consultant, broker or finder asserts a claim in connection with this transaction, the party who is alleged to have engaged or retained such consultant, broker or finder shall indemnify and hold the other party harmless.

24. NOTICES

Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery, confirmed email or facsimile transmission or confirmed delivery by a nationally recognized overnight courier service and shall be addressed as follows:

If to Seller:	Phoenix Radio Broadcasting, LLC 1440 E. Washington Street, Suite 300 Phoenix, AZ 85034 Attention: Bill Barquin Facsimile: (602) 269-3020 Email: billbarquin@chavezfoundation.org
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with a copy (which shall not constitute notice) to:	Foster Garvey PC 1000 Potomac Street NW, Suite 200 Washington, DC 20007 Attention: Brad Deutsch Facsimile: (202) 965-1729 Email: brad.deutsch@foster.com
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If to Buyer:	Prescott Broadcasting LLC 510 Henry Street Prescott, AZ 86302 Attention: Jason Zinzilieta Facsimile: (928) 445-5365 Email: kahm1021@yahoo.com
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With a copy (which shall not constitute notice) to:	Farley & Holmes, PLLC 141 S. McCormick Street, Suite 212 Prescott, AZ 86303 Attention: Cory Farley Facsimile: (928) 445-6200 Email: cory@farley-law.com
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25. CONSTRUCTION AND JURISDICTION

This Agreement shall be construed and enforced in accordance with the laws of the State of Arizona. If any provision of this Agreement is held invalid or unenforceable, the

remainder of this Agreement shall not be affected thereby, and to this end only the provisions of this Agreement are declared severable. Each party has been represented by its own counsel in connection with the negotiation and preparation of this Agreement and consequently waives the application of any rule of law that would otherwise be applicable in connection with the interpretation of this Agreement including, but not limited to, construing any provision against a party whose counsel drafted that provision.

26. ASSIGNMENT AND BENEFIT

This Agreement is not assignable by either Buyer or Seller without the written consent of the other party. This Agreement and all of the obligations set forth herein shall be binding upon the parties and their respective heirs, assigns and successors.

27. COOPERATION

Each party hereto agrees to perform such further acts and to execute and deliver such further documents as may be necessary or desirable to effectuate the purposes of this Agreement.

28. TIME OF ESSENCE

Time is of the essence with respect to every provision of this Agreement.

29. WAIVER

No waiver of any right pursuant hereto or waiver of a breach hereof shall be effective unless in writing and signed by the parties waiving such right or breach. No waiver of any right or waiver of any breach shall constitute a waiver of any other or similar right or breach; and no failure to enforce any right hereunder shall preclude or affect the later enforcement of such right.

30. ENTIRE AGREEMENT

This Agreement embodies the entire agreement between the parties and supersedes all prior agreements and understandings among the parties with respect to the subject matter hereof. No attempted change, termination or waiver of any of the provisions hereof shall be binding except by a written instrument signed by the party against which the same is sought to be enforced.

31. EXECUTION IN COUNTERPARTS

This Agreement may be executed in facsimile or other electronic reproduction in separate counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.


THE NEXT PAGE IS THE SIGNATURE PAGE

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER:

PHOENIX RADIO BROADCASTING, LLC

By: _____
Name: Paul Park
Title: Secretary of Chavez Radio Group, Member

BUYER:

PRESCOTT BROADCASTING LLC

By: _____
Name: Jason Zinzilieta
Title: Member

By: _____
Name: Janice Derks
Title: Member

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER: **PHOENIX RADIO BROADCASTING, LLC**

By: _____
Name: Paul Park
Title: Secretary of Chavez Radio Group, Member

BUYER: **PRESCOTT BROADCASTING LLC**

By:  _____
Name: Jason Zinzilieta
Title: Member

By:  _____
Name: Janice Derks
Title: Member

EXHIBIT A
LICENSES AND AUTHORIZATIONS

Broadcast Licenses:

1. KYCA(AM), 1490 KHz, Prescott, AZ (Fac. ID No. 61433)
FCC File No. BZ-20000110AAQ
Currently renewed through 10/01/2021 under FCC File No. BR-20130531AXW
2. FM Translator K278CN, 103.5 MHz, Winslow, AZ (Fac. ID No. 150097)
FCC File No. BLFT-20170926ADR
Currently renewed through 10/01/2021 under FCC File No. BRFT-20130603BDB

Auxiliary Licenses:

1. STL WQYM601
950.625 MHz
2. RPU KK7966
161.64 MHz
3. RPU KJJ782
161.64 MHz
161.67 MHz
161.70 MHz
161.73 MHz
161.76 MHz
4. RPU KJJ783
161.64 MHz
161.67 MHz
161.70 MHz
161.73 MHz
161.76 MHz

All Auxiliary Licenses Currently Expire 10/01/2021

EXHIBIT B

REAL PROPERTY

1. Real property located at 510 EZ Street, Prescott, Arizona 86301. Yavapai County Assessor's Parcel No. 114-01-005B, containing approximately 3.67 acres.
2. Real property located at 500 Henry Street, Prescott, Arizona 86301. Yavapai County Assessor's Parcel No. 114-01-015, containing approximately .50 acres.

EXHIBIT C

PERSONAL PROPERTY

Control Room

- Harris Impulse 14-channel control board
- 1 Pyle PCA-421
- 1 Symetrix 422 stereo leveler
- 2 Broadcast Tools ACS 8.2 Audio Control Switchers
- 2 XDS Satellite Receivers
- 1 Jones Satellite Receiver
- 1 XDS Pro1 Media Satellite Receiver
- Sage Endec EAS Receiver
- Gorman CAP-DEC 1 CAP to EAS Converter

Production Room

- Broadcast Electronics 8M150A 8-channel control board
- Otari reel-to-reel tape deck
- 2 cart decks

Talk/News Studio

- Eventide Broadcast Delay BD941
- Telos 6-line phone system
- XENYX 1204FX 8-channel control board (News)
- 2 Radio Systems CT-2002 Studio Timers/Clocks

Transmitters

- MAIN - Broadcast Electronics AM1A (1000 watts)
- BACKUP - Harris The-One (1000 watts)
- TRANSLATOR – Bext XT-300 FM Power Amp + Exciter
- 1 hard-wired automatic backup generator at the studio site, controlling both stations and the AM transmitters

Office

- Various computers, office furniture, equipment and supplies

Any and all reception and transmission equipment located at Badger Mountain tower site is explicitly excluded from this transaction including any and all reception and transmission equipment necessary for the operation of K269EE, Prescott, AZ (FCC Facility ID No. 61511)(the “K296EE Equipment”). Notwithstanding the foregoing, in so far as the LMA with respect to KAHM, as may be amended from time to time, remains in full force and effect, Buyer shall have complete unfettered access to and use of said K296EE Equipment.

Any and all reception and transmission equipment necessary for the operation of KAHM(FM), Spring Valley, AZ (FCC Facility ID No. 61510), is explicitly excluded from this transaction.

EXHIBIT D
AGREEMENTS AND CONTRACTS

None

EXHIBIT E

FORM OF PROMISSORY NOTE

SECURED PROMISSORY NOTE

\$900,000.00

Prescott, Arizona
_____, 2021

RECITALS:

- A. Pursuant to that certain Asset Purchase Agreement, dated as of _____, 2020 (“Purchase Agreement”), between Prescott Broadcasting LLC (“Maker”) and Phoenix Radio Broadcasting, LLC (“Holder”), Holder has contracted to purchase the assets and licenses of radio station KYCA(AM), Prescott, Arizona (Facility ID No. 61433) and its related FM Translator station K278CN, Winslow, Arizona (Facility ID No. 150097) (together, the “Station”) from Maker; and
- B. Maker has made a partial payment of the Purchase Price for the Station, but that payment is less than the full Purchase Price for the Station; and
- C. Holder, in forbearance of receiving from Maker all cash in payment of the Purchase Price for the Station, has agreed to accept this Secured Promissory Note (the “Note”) from Maker, in payment of a portion of the balance of the Purchase Price; and
- D. Maker, in consideration of the forbearance by Holder, agrees to execute this Note and to abide by its terms and conditions, and all other terms as set forth in the Purchase Agreement and its exhibits or schedules;

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, and the payment and delivery of the Loan Proceeds to Holder, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT:

1. **Definitions.** The capitalized terms used in this Secured Promissory Note, unless otherwise defined herein, shall have the meaning or meanings ascribed to them in the Purchase Agreement between Maker and Holder.

1.1. **Ancillary Agreements.** The term “Ancillary Agreements” shall mean the Purchase Agreement, this Note, the Security Agreement, and all filings, forms, exhibits and schedules that are related to the Station sale transaction.

1.2. **Loan Proceeds.** The term “Loan Proceeds” shall mean principal sum of **NINE HUNDRED THOUSAND AND NO/100 U.S. DOLLARS** (\$900,000.00) plus accrued interest thereof, as provided by this Note.

1.3. **Maturity Date.** The term “Maturity Date” shall mean the date on

which the Maker shall pay the balance of principal and interest under this Note to the Holder, which shall be the earlier of (i) the first (1st) business day of the sixty-first (61st) month following the Execution Date; or (ii) any future closing of the sale of substantially all of the Station's Assets to a third-party buyer not affiliated with Maker.

2. ***Place of Payment.*** Maker promises to pay to the order of Holder at its principal place of business located at 1440 E. Washington Street, Suite 300, Phoenix, AZ 85034 or at such other place of business as is designated, in writing, by Holder, the installment payments on the Loan Proceeds as provided herein:

3. ***Term.*** The term of this Note shall be five (5) years from the Execution Date.

4. ***Principal and Interest Payments.*** The principal sum of **NINE HUNDRED THOUSAND AND NO/100 U.S. DOLLARS** (\$900,000.00) shall be due payable in monthly installments (i) beginning on the first (1st) day of the first (1st) full calendar month following the Execution Date, and (ii) thereafter on the first (1st) day of each calendar month throughout the term of the Note. All payments shall include principal and interest. Interest shall accrue at a fixed annual interest rate of eight percent (8%) per annum. In the event any payment under this Note falls due on a weekend or holiday, then the payment to Holder shall be made by Maker on the next business day thereafter, in accordance with the terms of this Note. For the purposes of the Note, Maker shall have a grace period to make payments seven (7) calendar days from the date of the schedule for payment.

4.1. ***Interest in Case of an Event of Default.*** In the case of an Event of Default, interest then shall be due on the entire outstanding principal balance due, and shall then be computed at the rate of ten percent (10%) beginning as of the date of the initial, timely demand for payment by Holder to Maker.

4.2. ***Amortization.*** Although the term for this Note is five (5) years, the payments shall be amortized as, and over, a ten (10) year schedule.

4.3. ***Balloon Payment.*** The balance of the principal and interest due on the Note shall be paid in a single, balloon payment on the Maturity Date of this Note.

5. ***Form Of Payment.*** All payments due hereunder shall be paid in lawful money of the United States of America on the due dates therefor.

6. ***Default.*** Upon the occurrence of any "Event of Default," Holder may, at its option, and without notice, declare the entire unpaid principal balance of, and all accrued interest on, this Note immediately due and payable. For the purposes of this Note any of the following shall constitute an Event of Default:

6.1. ***Untimely Payment.*** The default in the timely payment of any installment of principal or interest under this Note in accordance with the terms hereof and the continuance of such default beyond the seven (5) calendar day grace period;

6.2. ***Appointment of Receiver, Etc.*** Maker shall (i) apply for or consent to

the appointment of a receiver, trustee or liquidator for itself or any of its properties or assets, (ii) admit in writing its inability to pay its debts as they mature, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case for relief as a Debtor under the United States Bankruptcy Code or file a Petition or any Answer seeking reorganization or an arrangement with creditors or to take advantage of any applicable law respecting bankruptcy, reorganization, insolvency, readjustment of debts, dissolution or liquidation, (v) file any Answer admitting the material allegations of a petition filed against it in any proceeding under any such applicable law or (vi) take any action for the purpose of effecting any of the foregoing;

6.3. ***Involuntary Bankruptcy.*** An involuntary case under the United States Bankruptcy Code shall be commenced against Maker or a petition shall be filed against Maker seeking similar relief under any other applicable law and such case or petition shall remain undismissed for thirty (30) days after the entry thereof;

6.4. ***Reorganization or Liquidation.*** An order, judgment or decree shall be entered without the application, approval or consent of Maker by any court of competent jurisdiction approving a petition seeking reorganization of Maker or of all or a substantial part of its properties or assets, or appointing a receiver, trustee or liquidator of Maker, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) days;

6.5. ***Bankruptcy or Insolvency.*** If, by the order of a court of competent jurisdiction, a receiver or trustee of Maker or any of its property or assets shall be appointed and shall not have been discharged within thirty (30) days from the date of entry of such order of appointment, or if by decree of such a court, Maker shall be adjudicated bankrupt or insolvent, or any of the property or assets of Maker shall be sequestered, and such decree shall have been continued undischarged and unstayed for thirty (30) days after the entry thereof.

6.6. ***Breach.*** Breach by Maker of any material representation, warranty or covenant, or failure by Maker to comply with any material provision of this Note, the Security Agreement, or the Purchase Agreement, unless cured within the applicable cure period, if any, specified herein or therein.

7. ***Prepayment.*** Maker may prepay without penalty and without consent of Holder any or all of the principal balance due during the life of the Note.

8. ***Covenants of Maker.*** As long as this Note shall remain outstanding, Maker of this Note warrants, covenants and agrees as follows:

(a) That Maker will be licensee the Station and shall materially and timely comply with all of the obligations under the rules and regulations of the FCC and other applicable governmental authorities; and

(b) That Maker, at its sole expense, shall keep the Station's tangible personal property insured with reputable insurance companies reasonably satisfactory to Holder against

physical damage for not less than the full insurable value. If Maker fails to procure insurance, Holder has the option, but is not obligated, to do so at Maker's expense.

9. ***Security Interest.*** To secure all of its indebtedness, obligations and liabilities to Holder, the Maker hereby grants to Holder a first priority security interests in the assets as set forth in the Security Agreement of even date between Maker and Holder.

10. ***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 (which shall include delivery by a nationally recognized, reputable overnight courier service that issues a receipt or other confirmation of delivery) to the party for whom such communication is intended, or three (3) business days after the date mailed by certified or registered U.S. mail, return receipt requested, postage prepaid, addressed as follows:

As to Maker:

Prescott Broadcasting LLC
510 Henry Street
Prescott, AZ 86302
Attention: Jason Zinzilieta
Facsimile: (928) 445-5365
E-mail: kahm1021@yahoo.com

With copies to:

Farley & Holmes, PLLC
141 S. McCormick Street
Suite 212
Prescott, AZ 86303
Attention: Cory Farley
Facsimile: (928) 445-6200
E-mail: cory@farley-law.com

As to Holder:

Phoenix Radio Broadcasting, LLC
1440 E. Washington Street
Suite 300
Phoenix, AZ 85034
Attention: Bill Barquin
Facsimile: (602) 269-3020
E-mail:
billbarquin@chavezfoundation.org

With copies to:

Foster Garvey PC
1000 Potomac Street NW, Suite 200
Washington, DC 20007
Attention: Brad Deutsch
Facsimile: (202) 965-1729
E-mail: brad.deutsch@foster.com

or to such other address as such party shall specify by written notice to the other parties hereto.

11. ***Holder's Rights.*** Holder's failure to exercise any of its rights and remedies shall not constitute a waiver of the right to exercise the same at that or any other time. All of Holder's rights and remedies for default hereunder shall be cumulative to the extent permitted by law.

12. ***Costs of Collection.*** If there is any default under this Note, and this Note is placed in the hands of an attorney for collection, Maker promises to pay Holder its reasonable attorneys' fee, court costs and all other expenses incurred in collecting or attempting to collect this Note, to the extent allowable by the laws of the State of Arizona.

13. ***No Usury Intended; Spreading.*** Maker and Holder stipulate and agree that it is their common and overriding intent to contract in strict compliance with applicable usury laws. All sums paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of the indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread in equal parts throughout the full term of this Note, so that the interest rate is uniform throughout the full term of this Note. The provisions of this Section shall control all agreements, whether now or hereafter existing and whether written or oral, between Maker and Holder.

14. ***No Waiver of Future Default.*** No failure on the part of Holder to exercise any right or remedy hereunder, whether before or after the happening of an event of default, shall constitute a waiver of any future event of default or of any other event of default. No failure to accelerate the indebtedness evidenced hereby by reason of an event of default hereunder, or acceptance of a past-due installment, or indulgence granted from time to time shall be construed to be a waiver of the right to insist upon prompt payment thereafter, or shall be deemed to be a novation of this Note or as a reinstatement of the debt evidenced hereby or as a waiver of such right of acceleration or any other right, or be construed so as to preclude the exercise of any right which Holder may have, whether by applicable law, by agreement or otherwise; and Maker and each endorser hereby expressly waive the benefit of any statute or rule of law or equity which would produce a result contrary to or in conflict with the foregoing. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom such agreement is sought to be enforced.

15. ***Default Remedies.*** If a default as provided in Section 6, and its subparts, shall occur and is not cured within the allowable time period, Holder may exercise any right, power or remedy permitted to Holder by law, and shall have, in particular, without limiting the generality of the foregoing, the right to declare the entire amount owed under this Note to be, and the Note shall forthwith become, due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived and Holder of the Note may proceed to protect and enforce its rights either by suit or in equity and/or by action at law or proceed to obtain judgment or any other relief whatsoever appropriate to the action or proceeding, or proceed to enforce any other legal or equitable right.

16. **Cure.** The parties agree that in the event of a non-material breach by the Maker, Maker will have seven (7) calendar days to cure the non-material breach before the Holder will take action. If Maker cures within seven (7) calendar days, then the parties will continue as if the non-material breach never occurred. However, this Section does not waive, limit or effect Holder's rights to any and all redress and remedies conferred upon Holder by the Purchase Agreement, Ancillary Agreements or applicable law.

17. **Service of Process.** Maker hereby consents to process being served in any suit, action, or proceeding instituted in connection with this Note by the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to Maker at the address provided above. Maker irrevocably agrees that such service shall, to the extent permitted by applicable law, be deemed to be service of process upon Maker in any such suit, action, or proceeding. Nothing in this Section shall affect the right of Holder to serve process in any manner otherwise permitted by law, and nothing in this Section will limit the right of Holder otherwise to bring proceedings against Maker in the courts of any jurisdiction or jurisdictions.

18. **Unconditional Obligation.** The liability of Maker under this Note is absolute and unconditional, and shall not in any manner be affected by reason of any action taken or not taken by Holder or any liability that Holder, or its principals, may at any time have to Maker respecting the Purchase Agreement. Maker shall have no right to set off, against any money due the Holder under this Note (whether principal or interest), any amount or amounts (i) from time to time owing to Holder under this Note, or (ii) owing or claimed to be owing from Maker under the Purchase Agreement.

MAKER HEREBY KNOWINGLY AND VOLUNTARILY, WITH THE BENEFIT OF COUNSEL, WAIVES TRIAL BY JURY REGARDING ANY ACTIONS SEEKING ENFORCEMENT OF THE PAYMENT UNDER THIS NOTE, OR PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS RELATED THERETO, WHETHER IN CONTRACT OR TORT OR OTHERWISE, AT LAW OR IN EQUITY, ARISING OUT OF, OR RELATING TO, THIS SECURED PROMISSORY NOTE OR TO THE PURCHASE AGREEMENT AS IT PERTAINS TO THE PAYMENT EVIDENCED BY THIS NOTE.

19. **Consent to Jurisdiction.** Maker irrevocably submits to the jurisdiction of any local or federal court sitting in the State of Arizona over any suit, action, or proceeding arising out of or relating to this Note. Maker irrevocably waives, to the fullest extent permitted by law, any objection that Maker may now or hereafter have to the laying of venue of any such suit, action, or proceeding brought in any such court and any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum. Final judgment in any such suit, action, or proceeding brought in any such court shall be conclusive and binding upon Faith and may be enforced in any court in which Maker is subject to jurisdiction by a suit upon such judgment provided that a service of process is effected upon Maker as provided in this Note or as otherwise permitted by applicable law.

20. **Construction of Agreement.** This Note is the product of negotiation and preparation by, between and among Maker and Holder and their respective attorneys.

Accordingly, the parties hereto acknowledge and agree that this Note shall not be deemed prepared or drafted by one party or another, or the attorneys for one party or another, and shall be construed accordingly.

21. **Explication.** Unless the context of this Note clearly requires otherwise, references to the plural include the singular and to the singular include the plural, references to any gender include any other gender, the part includes the whole, the term “including” is not limiting, and the term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereby,” “hereunder,” and similar terms in this Note refer to this Note as a whole and not to any particular provision of this Note. Article, section, subsection, clause, exhibit and schedule references are to this Note, unless otherwise specified. Any reference in or to this Note or the Purchase Agreement or any of the Ancillary Agreements includes any and all permitted alterations, amendments, changes, extensions, modifications, renewals, or supplements thereto or thereof, as applicable.

22. **Interpretation; Venue.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Arizona. Venue for citizenship diversity matters shall be any legally suitable forum.

23. **Headings.** The headings of the paragraphs of this Note are for the convenience of reference only, and do not form a part hereof, and in no way define, limit, describe, modify, interpret or construe the meanings of the parties, the scope of this Note or the intent of any paragraph hereof.

24. **Severability.** If any of the terms of this Note shall be declared invalid by any court of competent jurisdiction, such invalidity shall not affect any of the other terms hereof.

25. **Non Transferability.** Except upon an Event of Default hereunder, the Parties acknowledge and agree that this Promissory Note and any associated rights or responsibilities may not be transferred or assigned to any other party, including but not limited to a holder in due course, without the prior written consent of the other party; provided, however, that Holder may, without notice to Maker, (i) assign this Promissory Note to any entity that acquires all or substantially all of its assets or its business that is the subject hereof, or (ii) assign this Promissory Note to any entity that is commonly-owned by Holder or an affiliate thereof.

{ Signature Page Follows }

IN WITNESS WHEREOF, the Maker hereto has caused this instrument to be executed on the dates indicated by each signature.

PRESCOTT BROADCASTING LLC

By: _____
Name: Jason Zinzilieta
Title: Member

By: _____
Name: Janice Derks
Title: Member

EXHIBIT F

FORM OF SECURITY AGREEMENT

SECURITY AGREEMENT

Prescott Broadcasting LLC, an Arizona limited liability company ("Debtor"), hereby grants for value received to Phoenix Radio Broadcasting, LLC, an Arizona limited liability company, or its assigns ("Secured Party"), a security interest in all proceeds of the following described property and all substitutions, additions and replacements thereto (hereinafter collectively called the "Collateral"): all Debtor's right, title and interest in (a) any and all authorizations issued to Debtor by the Federal Communications Commission ("FCC") for the operation of radio broadcast station KYCA(AM), Prescott, Arizona (Facility ID No. 61433) ("KYCA") and its related FM Translator station K278CN, Winslow, Arizona (Facility ID No. 150097) (together, the "Station"); (b) all of Debtor's transmitting and studio equipment, fixtures, tools, office equipment, furniture, materials, supplies and miscellaneous other tangible personal property used in the operation of the Station; (c) all contracts, agreements, rights, privileges, licenses, permits and leases entered into by, or granted to, Debtor in connection with Debtor's ownership or operation of the Station; (d) all slogans, jingles, trademarks, tradenames, service marks, logos, copyrights and similar materials relating to the Station; and (e) the goodwill and other intangible assets owned by Debtor or hereafter created or acquired by Debtor.

This security interest is given to secure the payment of any and all indebtedness and liabilities whatsoever of the Debtor to the Secured Party arising out of that certain Promissory Note in the principal amount of Nine Hundred Thousand Dollars (\$900,000) made by Debtor and held by Secured Party, of even date herewith (the "Note"), together with all costs and expenses of Secured Party incurred with respect to the collection of such indebtedness and liabilities or to the enforcement of this Security Agreement (all herein collectively called the "Obligations").

1. The Debtor hereby warrants, covenants and agrees:

- a. That except for the security interest granted hereby Debtor has granted to no other entity an interest in any proceeds of the sale of any of the Collateral, and that Debtor will defend Secured Party's interest in the Collateral against all claims and demands of all persons at any time.
- b. That no financing statement covering any proceeds from the sale of any of the Collateral is on file in any public place; that at the request of Secured Party, Debtor will join with Secured Party in executing one or more Financing Statements pursuant to the Uniform Commercial Code in form satisfactory to Secured Party and will pay the cost of filing the same in all public offices whenever filing is deemed by Secured Party to be necessary or desirable.
- c. That Debtor will not sell or otherwise transfer the Collateral or any interest therein unless such Collateral is replaced by property of at least equal value, which property shall be Collateral within the meaning of this Agreement, and Debtor will not permit any other security interest in the proceeds of the Collateral to be attached to the Collateral without the written consent of Secured Party.

- d. That Debtor shall keep the Collateral insured with a reputable insurance company satisfactory to Secured Party against physical damage for not less than the full insurable value. The Secured Party shall be named as such in each such insurance policy or policies. If Debtor fails to procure insurance, Secured Party has the option, but is not obligated, to do so at Debtor's expense.
 - e. That Debtor shall promptly pay when due all taxes and assessments that may be levied against the Collateral. If Debtor fails to do so, Secured Party has the option, but is not obligated, to make payments at Debtor's expense.
- 2. Secured Party has the option, but is not obligated, to pay and discharge other liens, encumbrances, or security interests upon the Collateral.
- 3. In case of the occurrence of any of the following events, Debtor shall be in default:
 - a. Failure or neglect to comply with any of the terms, provisions, warranties, or covenants of this Security Agreement; or
 - b. Failure to pay any of the Obligations when due at any original or renewed or extended maturity; or
 - c. Any event of default set forth in the Note; or
 - d. Any loss or theft or any substantial damage or destruction of any substantial part of the Collateral which is not repaired or replaced reasonably promptly, or any encumbrance to or of any of the Collateral which is not released within fifteen (15) calendar days.
- 4. If at any time or from time to time thereafter, there shall occur an event of default which shall continue for a period of seven (7) calendar days following the giving of notice to Debtor by Secured Party, the Secured Party may at its option and without further notice or demand declare any one or more or all of the Obligations immediately due and payable, and shall have all of the rights and remedies of a secured party under the Uniform Commercial Code. The Secured Party will give the Debtor reasonable notice of time and place of any sale of the Collateral (which sale shall be commercially reasonable) or of the time after which intended disposition is to be made. The requirement of reasonable notice shall be met if such notice is mailed, postage prepaid, to the Debtor at the address given herein at least fifteen (15) calendar days before the time of sale or other disposition. Prior to any such sale, Debtor shall advise all parties which advise Debtor or Debtor's representatives of their interest in participating in such sale, together with all parties which actually do participate, that the full amount secured hereby is to be paid directly to Secured Party before any proceeds are to be paid to Debtor or to any other party.
- 5. In the event of a sale of the Collateral as provided for hereinabove, Debtor will without compensation cooperate with the purchaser of the Collateral in promptly preparing and filing and diligently prosecuting all necessary applications before the FCC for the

assignment of all FCC licenses together with any permits and other authorizations of the Station to the purchaser of the Collateral, it being acknowledged that such licenses, permits and authorizations are a material part of the value of the Station as an operable business and that the value of the Collateral would be severely impaired were such licenses, permits and authorizations not to be transferred to the holder of the Collateral. In the case of Debtor's non-performance or breach of the agreements contained in this Section 5, Debtor shall be subject to a decree of specific performance in addition to a judgment for money damages.

6. With respect to the FCC licenses, applicable law presently prohibits the granting of a security interest in any license or other authorization issued by the FCC. It is the intent of the parties to grant Secured Party all rights in the FCC licenses that can be granted under currently applicable law. As the law does not presently permit the granting of such security interest, should such law subsequently be changed or interpretation thereof be changed to permit the granting of such security interests in licenses issued by the FCC, then the FCC licenses shall automatically become subject to Secured Party's security interest to the then maximum extent permitted by the law as then in effect. Whenever the FCC will permit the granting of a security interest in, or the collateral assignment of, any FCC license or any other license granted by the FCC to Debtor, or in any event after the occurrence of an Event of Default, Debtor shall take all commercially reasonable actions and do all commercially reasonable things requested by Secured Party in connection with Secured Party's application to the FCC for the grant, assignment, or transfer to Secured Party, or any purchaser at a foreclosure sale, of the FCC licenses or any other license from the FCC, including any assignment of a security interest in any FCC license previously granted to Debtor. Without limiting the generality of the foregoing, Debtor agrees to execute and deliver to Secured Party, or any Person designated by Secured Party, any documents, instruments, or agreements reasonably requested by Secured Party in connection with any such grant, license, assignment, or transfer sought by Secured Party from the FCC.
7. No default shall be waived by Secured Party except in writing and no waiver of any default shall operate as a waiver of any other default or of the same default on a future occasion. All rights of Secured Party hereunder shall inure to its benefit or that of its assigns; and all obligations of Debtor shall bind legal representatives and successors.
8. When all Obligations secured hereby have been paid in full, this Security Agreement shall terminate and Secured Party shall execute such instruments as may be necessary to secure the release of this Security Agreement.
9. Except upon an Event of Default, the Parties acknowledge and agree that this Security Agreement and the associated Promissory Note and any associated rights or responsibilities may not be transferred or assigned to any other party, including but not limited to a holder in due course, without the prior written consent of the other party; provided, however, that Holder may, without notice to Maker, (i) assign this Security Agreement and the associated Promissory Note to any entity that acquires all or substantially all of its assets or its business that is the subject hereof, or (ii) assign this

Security Agreement and the associated Promissory Note to any entity that is commonly-owned by Holder or an affiliate thereof.

10. Any notices or other communications to Debtor or Secured Party shall be sent by certified mail to their respective addresses set forth below:

Debtor:

Prescott Broadcasting LLC
510 Henry Street
Prescott, AZ 86302
Attention: Jason Zinzilieta
Facsimile: (928) 445-5365
Email: kahm1021@yahoo.com

Copy to:

Farley & Holmes, PLLC
141 S. McCormick Street, Suite 212
Prescott, AZ 86303
Attention: Cory Farley
Facsimile: (928) 445-6200
Email: cory@farley-law.com

Secured Party:

Phoenix Radio Broadcasting, LLC
1440 E. Washington Street, Suite 300
Phoenix, AZ 85034
Attention: Bill Barquin
Facsimile: (602) 269-3020
Email: billbarquin@chavezfoundation.org

Copy to:

Foster Garvey PC
1000 Potomac Street NW, Suite 200
Washington, DC 20007
Attention: Brad Deutsch
Facsimile: (202) 965-1729
Email: brad.deutsch@foster.com

IN WITNESS WHEREOF, Prescott Broadcasting LLC, has caused this Security Agreement to be executed this _____ 2021.

ATTEST:

PRESCOTT BROADCASTING LLC

_____ By: _____
Name: Jason Zinzilieta
Title: Member

STATE OF ARIZONA
COUNTY OF _____

Before me, a Notary Public, in and for said county, personally appeared the above named JASON ZINZILIETA, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the foregoing instrument, they executed the instrument.

In testimony whereof, I have hereunto subscribed my name and affixed my official seal this ____ day of _____, 2021.

Notary Public

Print Name: _____

My commission expires: _____

[NOTARIAL SEAL]

ATTEST:

PRESCOTT BROADCASTING LLC

_____ By: _____
Name: Janice Derks
Title: Member

STATE OF ARIZONA
COUNTY OF _____

Before me, a Notary Public, in and for said county, personally appeared the above named JANICE DERKS, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the foregoing instrument, they executed the instrument.

In testimony whereof, I have hereunto subscribed my name and affixed my official seal this ____ day of _____, 2021.

Notary Public

Print Name: _____

My commission expires: _____

[NOTARIAL SEAL]

ATTEST:

PHOENIX RADIO BROADCASTING, LLC

By: _____

Name: Paul Park

Title: Secretary of Chavez Radio Group, Member

STATE OF ARIZONA

COUNTY OF _____

Before me, a Notary Public, in and for said county, personally appeared the above named PAUL PARK, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the foregoing instrument, they executed the instrument.

In testimony whereof, I have hereunto subscribed my name and affixed my official seal this ____ day of _____, 2021.

Notary Public

Print Name:_____

My commission expires:_____

[NOTARIAL SEAL]